

Message Text

CONFIDENTIAL

PAGE 01 PARIS 09499 01 OF 03 201940Z
ACTION EUR-12

INFO OCT-01 AF-10 ARA-10 ISO-00 CIAE-00 NSAE-00
NSCE-00 SSO-00 USIE-00 INRE-00 PM-05 H-01 INR-10
L-03 PA-01 SP-02 SS-15 EB-08 OMB-01 TRSE-00
DOE-15 SOE-02 DOEE-00 /096 W
-----063961 202004Z /43

O R 201926Z MAR 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC IMMEDIATE 8871
INFO ALL EC CAPITALS
AMEMBASSY MOSCOW
AMEMBASSY MADRID
AMEMBASSY LISBON
USNMR SHAPE
USMISSION USNATO
USCINCEUR
DIA WASHDC
USMISSION USUN
AMEMBASSY DAKAR
USDOCOSOUTH NAPLES
AMEMBASSY WARSAW
AMEMBASSY PRAGUE
AMEMBASSY BUDAPEST
AMEMBASSY SOFIA
AMEMBASSY BELGRADE
AMEMBASSY BERLIN
USMISSION USBERLIN
AMEMBASSY STOCKHOLM
AMEMBASSY HELSINKI
AMCONSUL MARTINIQUE
AMCONSUL BORDEAUX
AMCONSUL LYON
AMCONSUL MARSEILLE
AMCONSUL NICE
AMCONSUL STRASBOURG

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 09499 01 OF 03 201940Z

C O N F I D E N T I A L SECTION 01 OF 03 PARIS 09499

MILITARY ADDRESSEES ALSO FOR POLADS

USDOCOSOUTH FOR INTAF

E.O. 11652: GDS

TAGS: FR

SUBJ: ELECTIONS 1978: LOOKING AHEAD FOR FRANCE

1. SUMMARY: THE US WILL HAVE AN EASIER TIME DEALING WITH THE FRENCH GOVERNMENT THAT WILL EMERGE FROM THE ELECTIONS THAN IT WOULD HAVE HAD DEALING WITH A GOVERNMENT OF THE LEFT. WE CAN ASSUME THAT GISCARD, WHO IS THE REAL WINNER IN THE ELECTIONS, WILL PLAY THE DOMINANT ROLE IN POLICY FORMULATION AND THAT THE MAIN LINES OF FRENCH POLICY WILL CONTINUE. NEVERTHELESS, THERE ARE PITFALLS WHICH COULD AFFECT FRANCE'S RELIABILITY AS A PARTNER FOR THE US. FOR ONE THING, HARMONY WITHIN THE MAJORITY IS BY NO MEANS GUARANTEED. THERE ARE LIKELY TO BE TESTS OF STRENGTH BETWEEN GISCARD AND CHIRAC AS EACH JOCKEYS FOR THE PRESIDENTIAL ELECTIONS OF 1981. FOR ANOTHER, FRANCE, WHICH THE ELECTIONS HAVE LEFT A STILL-DIVIDED COUNTRY, MAY BE IN FOR A PERIOD OF INSTABILITY, CHARACTERIZED BY INCREASED LABOR UNREST AND POSSIBLY BY WIDER FORMS OF VIOLENCE AS WELL. GISCARD SEES THE KEY TO FRANCE'S STABILITY TO BE SOCIAL AND ECONOMIC REFORMS. HE IS LIKELY TO MOVE FAST TO ACHIEVE THEM. IN VIEW OF THE ECONOMIC INTERDEPENDENCIES BETWEEN FRANCE AND HER PARTNERS, THE US MAY BE IN A POSITION TO HELP. WE SHOULD FIND WAYS TO DO SO. END SUMMARY.

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PARIS 09499 01 OF 03 201940Z

2. WHILE GISCARD'S FORCES HAVE GAINED ON THE RPR IN ASSEMBLY SEATS, HE IS COMPELLED TO FIND HIS GOVERNING MAJORITY THROUGH COALITION WITH A PARTY WHICH IS STILL STRONGER AND WHOSE LEADER IS PREPARING TO CHALLENGE HIM IN THE 1981 PRESIDENTIAL ELECTIONS (THE UNOFFICIAL CAMPAIGN FOR WHICH BEGINS TODAY). WITH THE END YESTERDAY OF THE 1978 ELECTORAL PERIOD, THE GISCARD-CHIRAC RELATIONSHIP WILL MOVE A STEP CLOSER TO DIRECT CONFRONTATION. BEFORE YESTERDAY, ELECTORAL CONSIDERATIONS HAD DICTATED THAT THE TWO SUBMERGE THEIR HOSTILITY AND COOPERATE. FROM NOW ON, ELECTORAL CONSIDERATIONS COULD ARGUE FOR THE OPPOSITE COURSE: THAT EACH STAKE OUT FOR HIMSELF A DISTINCT AND OPPOSED POSITION FROM WHICH TO COMBAT THE OTHER. WHILE BOTH WILL THEMSELVES TO BE ACTING IN THE BEST INTERESTS OF FRANCE, THEIR CONCEPTION OF THOSE INTERESTS IS DIFFERENT ENOUGH TO ENSURE FRICTION.

3. GISCARD'S DESIRE TO OVERCOME THE BI-POLARIZATION OF FRENCH POLITICS IS ANATHEMA TO CHIRAC. GISCARD'S PEOPLE, NOTABLY SOISSON, THE SECRETARY GENERAL OF HIS

PARTY, LAST WEEK REVIVED TWO SUGGESTIONS WHICH CHIRAC WILL TAKE AS DIRECTED AT THE GAULLISTS: CHANGING THE ELECTORAL SYSTEM TO PROPORTIONAL REPRESENTATION AND "ENLARGING" THE MAJORITY (PRESUMABLY TO INCLUDE LEFT RADICALS AND SOCIALISTS). IF GISCARD DECIDES TO PUSH THESE INITIATIVES AS PART OF A STRATEGY TO CREATE A CENTER-LEFT GROUPING, A RUPTURE WITH CHIRAC COULD COME EARLY ON. THERE ARE TWO ARGUMENTS AGAINST AN EARLY PUSH. FIRST, WE DOUBT THAT THE SOCIALIST PARTY WILL BE READY FOR SUCH A MAJOR REORIENTATION AT ANY TIME

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 PARIS 09499 02 OF 03 201953Z
ACTION EUR-12

INFO OCT-01 AF-10 ARA-10 ISO-00 CIAE-00 NSAE-00
NSCE-00 SSO-00 USIE-00 INRE-00 PM-05 H-01 INR-10
L-03 PA-01 SP-02 SS-15 EB-08 OMB-01 TRSE-00
DOE-15 SOE-02 DOEE-00 /096 W
-----064114 202004Z /43

O R 201926Z MAR 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC IMMEDIATE 8872
INFO ALL EC CAPITALS
AMEMBASSY MOSCOW
AMEMBASSY MADRID
AMEMBASSY LISBON
USNMR SHAPE
USMISSION USNATO
USCINCEUR
DIA WASHDC
USMISSION USUN
AMEMBASSY DAKAR
USDOCOSOUTH NAPLES
AMEMBASSY WARSAW
AMEMBASSY PRAGUE
AMEMBASSY BUDAPEST
AMEMBASSY SOFIA
AMEMBASSY BELGRADE
AMEMBASSY BERLIN
USMISSION USBERLIN
AMEMBASSY STOCKHOLM
AMEMBASSY HELSINKI
AMCONSUL MARTINIQUE

AMCONSUL BORDEAUX
AMCONSUL LYON
AMCONSUL MARSEILLE
AMCONSUL NICE
AMCONSUL STRASBOURG

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 09499 02 OF 03 201953Z

C O N F I D E N T I A L SECTION 02 OF 03 PARIS 09499

SOON. SECOND, GISCARD MAY FIND HIS NEWLY BORN UDF, DESPITE ITS STRIKING ELECTORAL SUCCESS, A LESS EFFECTIVE AND COHESIVE VEHICLE FOR REFORM THAN HE NOW HOPES, SINCE, ACCORDING TO SOME EXPERTS ITS ELECTORATE IS NO MORE LIBERAL THAN THAT OF THE GAULLISTS. GISCARD MAY HAVE TO CONSOLIDATE HIS OWN TROOPS BEFORE LOOKING BEYOND THE UDF TO COOPT OTHERS. FOR HIS PART, CHIRAC WOULD SEEM TO HAVE TWO BROAD OPTIONS: TO HAVE THE RPR TRY TO PLAY AN ACTIVE ROLE IN THE NEW GOVERNMENT IN ORDER TO INFLUENCE ITS POLICIES, OR TO STAY ALOOF FROM THE GOVERNMENT SO AS TO BE ABLE TO CRITICIZE IT FROM AN INDEPENDENT POSITION. WE ANTICIPATE THE LATTER.

4. WITH THE RPR STILL THE LARGEST PARTY IN FRANCE, GISCARD WILL HAVE TO TAKE CLOSE ACCOUNT OF GAULLIST VIEWS, EITHER BY GIVING THE RPR A STRONG VOICE IN THE GOVERNMENT OR BY ADAPTING SOME OF HIS POLICIES TO GAULLIST POSITIONS. GISCARD WILL ALSO HAVE TO TAKE ACCOUNT OF THE FACT THAT NEARLY HALF THE ELECTORATE VOTED FOR SOCIAL AND ECONOMIC CHANGE. HE CAN SERVICE BOTH THESE REQUIREMENTS BY MOVING QUICKLY TO INTRODUCE SOME STIMULATIVE MEASURES INTO THE ECONOMY. IMPLEMENTATION OF THE "BLOIS PROGRAM" ANNOUNCED BY PRIME MINISTER BARR ON JANUARY 7 (PARIS 00834) WOULD LEAD IN THE GENERAL, ECONOMIC DIRECTION DESIRED BY THE RPR AND, WHILE NOT SATISFYING THE LEFT, COULD BLUNT A GOOD DEAL OF ITS CRITICISM. WE THUS EXPECT THE NEW FRENCH GOVERNMENT TO PRESS, INTER ALIA, FOR TAX INCENT-
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PARIS 09499 02 OF 03 201953Z

IVES TO ENCOURAGE INVESTMENT AND INCREASED YOUTH EMPLOYMENT AND FOR INCREASED WAGES AND BENEFITS FOR LOWER INCOME FAMILIES. THE PACE OF IMPLEMENTATION WOULD

PROBABLY BE CALCULATED TO AVOID ANY EXCESSIVELY ABRUPT
RESTIMULATION OF AN ECONOMY THAT SHOULD ALREADY BE
UNDERGOING A HEALTHY ACCELERATION BY THE SECOND HALF
OF 1978.

5. GISCARD WILL CONTINUE TO CALL THE SHOTS ON ECONOMIC
POLICY. BUT THE IDENTITY OF THE NEW PRIME MINISTER
SHOULD INDICATE HOW FAST GISCARD WANTS TO GO ON THE
ECONOMIC FRONT. THE REAPPOINTMENT OF BARRE WOULD BE
TAKEN AS A SIGNAL THAT CHANGE WILL NOT BE TOO ABRUPT.
THE NAMING OF ANOTHER--RUMORS INCLUDE CHABAN-DELMAS,
PEYREFITTE, AND SIMONE VEIL--COULD PORTEND MORE RAPID
STIMULUS MEASURES. THE LESSONS GISCARD HAS DRAWN
FROM THE LEGISLATIVE ELECTIONS AND THE DIRECTION OF
HIS FUTURE GOVERNMENT SHOULD BE ANNOUNCED DURING HIS
TV ADDRESS MARCH 22.

6. WITH REGARD TO FOREIGN POLICY, THE ELECTORAL
VICTORY MEANS THAT GISCARD WILL RETAIN INTACT THE
POWERS ACCUMULATED BY FIFTH REPUBLIC PRESIDENTS.
FOREIGN POLICY WILL CONTINUE TO BE MADE IN THE ELYSEE,
AND--PARTLY DEPENDING ON HOW GISCARD SEES THE IMPERA-
TIVES OF HIS RELATIONS WITH THE GAULLISTS--SHOULD NOT
CHANGE DRASTICALLY. THE FRENCH ATTITUDE ON THE PAKIS-
TAN REPROCESSING DEAL SHOULD REVEAL HOW SENSITIVE
GISCARD STILL IS TO GAULLIST SENTIMENTS. DESPITE
GAULLIST INCLINATIONS TOWARD SELECTIVE PROTECTIONISM,
WE LOOK FOR NO SIGNIFICANT CHANGE IN FRENCH INTER-
NATIONAL ECONOMIC POLICY. HOWEVER, THE REPLACEMENT
OF BARRE COULD HAVE A NEGATIVE EFFECT, SINCE BARRE
HAS BEEN A STRONG FORCE FOR MODERATION, ESPECIALLY IN
MTN; A DIFFERENT PRIME MINISTER MIGHT NOT BE SO INTER-
ESTED IN SEEKING COMPROMISE. IT IS GENERALLY EXPECTED
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 PARIS 09499 02 OF 03 201953Z

THAT GUIRINGAUD WILL NOT REMAIN AS FOREIGN MINISTER
BUT ALSO THAT GISCARD WILL APPOINT SOMEBODY CLOSE TO
HIS OWN VIEWS, FOR EXAMPLE, POLITICAL ADVISOR
PONIATOWSKI (WHO WAS DEFEATED IN HIS BID FOR A PARLIA-
MENTARY SEAT), ELYSEE SECRETARY GENERAL FRANCOIS-PONCET,
OR JUSTICE MINISTER PEYREFITTE.

7. THE BIGGEST LOSER IN THESE ELECTIONS IS THE SOCIAL-
IST PARTY, EVEN THOUGH IT INCREASED ITS SEATS IN THE
ASSEMBLY BY 15. MITTERRAND'S LEFT STRATEGY HAS FAILED,
AND HE AND HIS TOP AIDES ARE ALREADY BLAMING THAT
FAILURE ON THE COMMUNISTS. THE PS WILL BE ENTERING
ENOTHER ONE OF ITS IDENTITY CRISES. A MOVE TOWARD
THE CENTER--WHICH IS WHERE A LOT OF POTENTIAL SOCIALIST
VOTERS SEEM TO BE--STILL RISKS SPLITTING THE PARTY

AND LEAVING A HOLE WHICH THE COMMUNISTS MIGHT FILL.
SUCH A MOVE MAY BE BEGINNING TO LOOK MORE ATTRACTIVE
TO PS LEADERS LIKE MAUROY AND ROCARD. BUT IT MAY BE
SOME TIME IN COMING, IF IT EVER DOES. IN THE SHORT

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 PARIS 09499 03 OF 03 202001Z
ACTION EUR-12

INFO OCT-01 AF-10 ARA-10 ISO-00 CIAE-00 NSAE-00
NSCE-00 SSO-00 USIE-00 INRE-00 PM-05 H-01 INR-10
L-03 PA-01 SP-02 SS-15 EB-08 OMB-01 TRSE-00
DOE-15 SOE-02 DOEE-00 /096 W
-----064202 202003Z /43

O R 201926Z MAR 78
FM AMEMBASSY PARIS
TO SECSTATE WASHDC IMMEDIATE 8873
INFO ALL EC CAPITALS
AMEMBASSY MOSCOW
AMEMBASSY MADRID
AMEMBASSY LISBON
USNMR SHAPE
USMISSION USNATO
USCINCEUR
DIA WASHDC
USMISSION USUN
AMEMBASSY DAKAR
USDOCOSOUTH NAPLES
AMEMBASSY WARSAW
AMEMBASSY PRAGUE
AMEMBASSY BUDAPEST
AMEMBASSY SOFIA
AMEMBASSY BELGRADE
AMEMBASSY BERLIN
USMISSION USBERLIN
AMEMBASSY STOCKHOLM
AMEMBASSY HELSINKI
AMCONSUL MARTINIQUE
AMCONSUL BORDEAUX
AMCONSUL LYON
AMCONSUL MARSEILLE
AMCONSUL NICE
AMCONSUL STRASBOURG

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PARIS 09499 03 OF 03 202001Z

C O N F I D E N T I A L SECTION 03 OF 03 PARIS 09499

TERM, WE WOULD EXPECT THE PS TO COALESCE AROUND ITS 103 DEPUTIES, ITS NATIONAL ORGANIZATION, AND ITS WIDESPREAD PRESENCE IN THE DEPARTMENTS AND BIG CITIES. AFTER SIX MONTHS OF INSULTS FROM THE COMMUNISTS, IT WILL BE IN NO MOOD TO LOOK FOR COOPERATION WITH THE PCF, EITHER IN THE ASSEMBLY OR IN THE MUNICIPALITIES. IT WILL PROBABLY TAKE REFUGE IN THE HOPE THAT THE MAJORITY MAY AT SOME POINT FRACTURE, AND WILL TRY TO CONSOLIDATE ITS POSITION FOR POSSIBLE EARLY ELECTIONS. IN THE MEANTIME, THE PS MAY WELL CLOSE RANKS BEHIND MITTERRAND; DESPITE THE DEBACLE OF HIS LEFT STRATEGY, HE REMAINS THE PARTY'S ONLY UNIFYING FACTOR.

8. THE ELECTIONS REPRESENTED A REJECTION OF COMMUNIST PARTICIPATION IN GOVERNMENT. NEVERTHELESS, THE COMMUNISTS HAVE SOME REASON TO BE PLEASED WITH THEIR ELECTORAL SHOWING. THEY PREVENTED THE PS FROM MAKING SIGNIFICANT ADVANCES AND THEIR LAST-MINUTE COOPERATION SPARED THEM SOME OF THE STIGMA OF COSTING THE LEFT A VICTORY; IN ADDITION, THEY INCREASED THEIR ASSEMBLY REPRESENTATION BY 14 SEATS. THEIR ATTITUDE IN THE ASSEMBLY, IN THE FACTORIES, AND ON THE STREETS COULD BE CRITICAL FOR FRANCE'S STABILITY IN THE PERIOD AHEAD. THERE IS AN INCREASED PROSPECT OF LABOR UNREST AND STRIKES, SINCE THE UNIONS HAD BEEN HOLDING THEIR FIRE IN HOPES OF A LEFT VICTORY. WHETHER THE COMMUNIST PARTY WILL LAUNCH THE CGT INTO A MAJOR STRIKE CAMPAIGN IS ANYBODY'S GUESS. GISCARD, AS NOTED, WILL TRY TO STRENGTHEN THE ARGUMENTS AGAINST SUCH OUTBREAKS

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 PARIS 09499 03 OF 03 202001Z

BY MOVING EARLY ON SOCIAL AND ECONOMIC REFORM. THE IMPONDERABLE ELEMENT IN ALL THIS IS THE PERCEPTION CREATED BY THIS ELECTION THAT FRANCE ONCE AGAIN REACHED A TURNING POINT AND FAILED TO TURN. WE HESITATED TO PREDICT A PSYCHOLOGICAL CLIMATE, BUT WOULD NOT EXCLUDE THAT MOUNTING FRUSTRATIONS COULD EXPLODE INTO A RERUN OF 1968.

9. GISCARD HAS COME OUT OF THE ELECTIONS A CLEAR WINNER. HIS POPULARITY, GREAT AND GROWING, WILL BE A STRONG CARD TO PLAY IN THE EARLY DAYS OF THE SPRING PARLIAMENT, WHERE HE WILL TRY TO SET THE TONE FOR THE REST OF HIS TERM AND FOR HIS 1981 STRATEGY. DESPITE HIS VICTORY, HOWEVER, GISCARD IS LEFT WITH THE FORMIDABLE TASK OF PRESIDING OVER A COUNTRY WHICH IS STILL NOMINALLY--AND TO A LARGE DEGREE ACTUALLY--DIVIDED BETWEEN LEFT AND RIGHT. THE PRESIDENCY, AND HE HIMSELF, REPRESENT THE MOST IMPORTANT STABILIZING FORCE IN THE COUNTRY, AS WELL AS THE POTENTIAL MEDIATOR BETWEEN THE TWO POLITICAL CURRENTS. GISCARD, AS MUCH AS ANYONE IN FRANCE, UNDERSTANDS THAT STABILITY DEPENDS ON HEALING THE POLITICAL DIVISIONS THROUGH SUCH BASIC REFORMS AS MAKING THE TAX SYSTEM MORE EQUITABLE AND REDUCING INCOME DIFFERENTIALS BETWEEN RICH AND POOR. THE MESSAGE FOR THE UNITED STATES, AND FOR FRANCE'S OTHER ALLIES, IS THAT OUR OWN INTERESTS WILL BE SERVED BY SEEING HIM SUCCEED. SINCE FRANCE'S ECONOMY IS CLOSELY TIED TO THOSE OF HER MAJOR PARTNERS, THERE WILL BE WAYS WE CAN HELP, IF ONLY marginally. AS HIS PROGRAM DEVELOPS, WE SHOULD BE ALERT TO THEM.

HARTMAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: ELECTION FORECASTS, POLITICAL SITUATION
Control Number: n/a
Copy: SINGLE
Draft Date: 20 mar 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978PARIS09499
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780123-0101
Format: TEL
From: PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780347/aaaabnqf.tel
Line Count: 409
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9844f2c3-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 8
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3268381
Secure: OPEN
Status: NATIVE
Subject: ELECTIONS 1978: LOOKING AHEAD FOR FRANCE
TAGS: PINT, FR
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/9844f2c3-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014